REMARKS

Claims 40-43 are all the claims pending in the application, and each stands rejected under 35 U.S.C. § 103(a) as being unpatentable over U.S. Patent No. 5,029,094 to Wong ("Wong") in view of U.S. Patent No. 6,609,114 to Gressel et al. ("Gressel"). Applicant respectfully traverses the rejection and requests the Examiner to reconsider the rejection in view of the following.

From the final Office Action it appears there was a search for variable parking rates and Gressel was found based on impermissible hindsight reasoning afforded by knowledge of the claimed invention to supplement the fixed parking rates previously found in Wong. In the final Office Action the Examiner then characterizes the claimed invention as "merely a combination of old elements, and in the combination each element merely would have performed the same function as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable" [emphasis added] (paragraph bridging pages 3 and 4).

The Examiner appears to be relying on the reference in the *KSR*[1] decision to the doctrine that a "patent for a combination which only unites old elements with no change in their respective functions...obviously withdraws what is already known into the field of its monopoly and diminishes the resources available to skilful men" [emphasis added] (*Great Atlantic & Pacific Tea Co, v. Supermarket Equipment Corp.*, 340 U.S. 147, 152 (1950)).

This doctrine should only be applied where all the elements of the combination each perform its own function and would do so even in the absence of the other elements. However,

[1] *KSR International Inc. v. Teleflex Inc.*, 550 U.S. 398, 127 S. Ct. 1727, 82 USPQ.2d 1385 (2007).

the doctrine should not be applied where all the elements can do something together they could not do by themselves giving rise to an unexpected synergistic effect.

Contrary to the Examiner's characterization of the claimed invention, the combined elements of fixed and variable parking rates work together in an unexpected and fruitful manner. Specifically, the claimed invention combines fixed and variable parking rates so that they can co-operate to give a single, unpredictable result - namely, avoiding excessive fixed penalties for initial overstaying of a prescribed parking period that would otherwise normally attract strict liability for a manually-issued, fixed penalty charge. Thus, the claimed elements of fixed and variable rates do something together they could not do by themselves. The claimed invention is therefore properly characterized as a discovery of a successful means of combining fixed and variable parking rates to work together in an unexpected and fruitful manner to avoid excessive fixed penalties for initial overstaying.

The *KSR* decision said it was clear from cases such as *Adams*[2] that a claimed combination of elements is not proved obvious merely by demonstrating that each of its elements was, independently, known in the prior art. Instead, there must be a reason that would have prompted a person of ordinary skill in the art to combine the elements in the way the claimed invention does.

In the present case, the Examiner has not identified any reason why a person of ordinary skill in the art would combine Wong's fixed rates with Gressel's variable rates. As previously submitted, Wong is concerned with the specific problem of discouraging long-term parking and increasing parking turn over rates. Gressel is concerned with the entirely different problem of

[2] *United States v. Adams*, 383 U.S. 39, 40, 86 S. Ct. 708, 15 L. Ed. 2d 572, 148 USPQ 479 (1966).

smartcard payment collection. To the extent that Gressel incidentally mentions parking, it discloses one variable parking rate to "strongly deter drivers from parking for periods longer than a few minutes", and another variable rate to "only mildly deter drivers from parking for more than a few hours" (column 31, line 63 to column 32, line 1). Gressel's variable parking rates are therefore directed to the same problem as Wong's fixed rates - namely, discouraging long-term parking. Given their shared, common parking problem, a person of ordinary skill in the art would clearly understand that Gressel's variable rates are a clear alternative to, or substitute for, Wong's fixed rates. So, therefore, the only thing that a person of ordinary skill in the art would understand from Gressel and Wong is that variable and fixed rates are separate and distinct alternatives which cannot cooperate to produce a single result. This teaches away from the claimed invention which is properly characterized as a discovery of a successful means of combining fixed and variable rates to provide a single result. Teaching away has been affirmed by the *KSR* decision as indicating non-obviousness.

Finally, although Wong and Gressel might not explicitly refer to a manually-issued, fixed penalty charge after expiry of their fixed and variable rates, it is common knowledge that there would necessarily be one so its presence would be implied by a person of ordinary skill in the art. The implicit presence of an automatically-applicable, fixed penalty charge in both Wong and Gressel teaches away from the claimed invention which clearly seeks to avoid excessive fixed penalties for initial overstaying. This additional teaching away further indicates nonobviousness.

In summary, the presently claimed invention is non-obvious because it provides a successful means of combining fixed and variable parking rates to work together in an unexpected and fruitful manner that would not have been predictable to a person of ordinary skill in the art in light of Wong and/or Gressel.

In view of the above, reconsideration and allowance of this application are now believed to be in order, and such actions are hereby solicited. If any points remain in issue which the Examiner feels may be best resolved through a personal or telephone interview, the Examiner is kindly requested to contact the undersigned at the telephone number listed below.

The USPTO is directed and authorized to charge all required fees, except for the Issue Fee and the Publication Fee, to Deposit Account No. 19-4880. Please also credit any overpayments to said Deposit Account.

Respectfully submitted,

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